

# **NEW HAMPSHIRE STATE LIQUOR COMMISSION**

## **MINUTES OF MEETING – JANUARY 5, 2005**

**PRESENT:** Chairman Anthony Maiola and Commissioner Patricia Russell; Craig Bulkley, Bureau Chief of Administrative Services; Aidan Moore, Chief of Enforcement; Nicole Horton, Wine Marketing Specialist; George Tsiopras, Chief Financial Officer. **Guests:** Doreen Wittenberg, Business Supervisor; Al Picconi, United Beverages, Inc.

**EXCUSED:** Commissioner John Byrne; John Bunnell, Administrator of Marketing & Sales; Richard Gerrish, Spirits Marketing Specialist; Evie Taft, Human Resources Administrator; Howard Roundy, Director of Information Technology.

### **I. FINANCIAL & ADMINISTRATIVE REPORTS**

#### **1. Financial Reports**

##### **A. Weekly, Y-T-D Sales Reports:**

The SA1000 report for the week ending January 2, 2005 shows retail sales were up almost 17.2%, on-premise sales were up 2.4%, off-premise sales were up 14.3%, and total aggregate sales were up 14.1%. The traffic count increased by 9,383, as did the average sales ticket by \$2.70.

The W-1 Total Weekly Sales report for the same week confirms total sales for the week were up 14.1% or \$1,157,009, and that they were also up for the year by 6.14% or \$12,872,224. These figures are down about 1.6% from last year when sales were up by 7.7%. Wine sales also increased by 15.4% or \$612,210 for the week, and were up almost 6.8% or \$6,525,466 for the year. Last year's increase was at about 7.8%. Sales of spirits were up 12.9% or \$544,799 for the year, as they were year-to-date by 5.6% or \$6,346,758. This is a decrease from last year's increase of 7.6%.

There was nothing of significance to report regarding depletions and/or post-offs or gift card sales over the past week.

##### **B. Budget/Administrative Reports:**

George and John Bunnell will represent the Commission at the two IT focus group meetings (1:00 and 2:30 p.m.) being conducted by the transition team to review the OIT structure.

Chief Moore, Chairman Maiola and Craig will attend the Commerce Committee orientation session for new members of that Committee. They will spend about 15 minutes briefing the members on the functions of the Liquor Commission.

There have been no recent changes to the LSR list. No others except HB 63 are being converted to bills.

The current W-6 Expense Budget Activity Variance Report shows the year to be at around 51.50% expired, with approximately 48.50% of the budget expended. The main increases are in still Salaries and Benefits. However, the Commission has only spent 2% above what was spent last year.

Revenues for December 2004 produced a new record of \$14.7 million in gross profit.

George is currently working on developing a statement of events to reflect what is happening with the monies which have been transferred to OIT. When completed, he will present this to the Commission for review.

2. IT Report: No report given.
3. Human Resources Report: No report given.

## **II. MARKETING & SALES REPORTS**

1. Store Operations: No report given.
2. Purchasing Report: No report given.
3. Merchandising Report

### **A. SPIRITS:**

- 1) Test Market Results (Codes #3640, #3641 & #649):

It was moved by Commissioner Russell, seconded by Commissioner Maiola, that the Commission grant specialty statuses to the following three (3) spirit items which earned in excess of their respective gross profits required for specialty item consideration at the conclusion of a six-month test market period, as recommended by Richard Gerrish, Spirits Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales: Code #3640, Belvedere Citrus Vodka, 750ML; Code #3641, Belvedere Pomarancza Vodka, 750ML; Code #649, Sauza Tres Generaciones Plata Tequila, 750ML. The motion was unanimously adopted.

### **B. WINES:**

- 1) Martignetti 25% Off Sale – March, April & May 2005:

It was moved by Commissioner Maiola, seconded by Commissioner Russell, that the Commission approve an offer from Martignetti Companies of N.H. to conduct a 25% off sale during March, April and May 2005, as recommended by Nicole Brassard, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

2) Horizon Buy One Get One Half Off – March, April & May 2005:

It was moved by Commissioner Maiola, seconded by Commissioner Russell, that the Commission approve an offer from Horizon Beverage Company/ Allied Domecq Wines USA, to conduct a “Buy One, Get One Half Off Sale” during March, April and May 2005, as recommended by Nicole Brassard, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

3) Recommended Allocated Wines for Distribution to Selected Stores (1 item):

It was moved by Commissioner Maiola, seconded by Commissioner Russell, that the Commission approve one (1) allocated wine item for distribution to selected stores, as recommended by Nicole Brassard, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

4) Primary Source Submissions (7 items – exclusive agent; 4 items – imported):

It was moved by Commissioner Maiola, seconded by Commissioner Russell, that the Commission approve the listing of seven (7) wine codes which are not from primary source, but are offered by the exclusive marketing agent and four (4) wine codes which are not from primary source, but are imported, as recommended by Nicole Brassard, Wine Marketing Specialist and concurred by John Bunnell, Administrator of Marketing & Sales. The motion was unanimously adopted.

**III. ENFORCEMENT & LICENSING REPORT – None.**

**IV. CHAIRMAN’S REPORT & LATE ITEMS**

1. Bailment Requests:

It was moved by Commissioner Maiola, seconded by Commissioner Russell, that the Commission approve all previously reviewed requests for bailment releases/transfers dated December 30, 2004 through January 5, 2005. The motion was unanimously adopted.

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2. Coupon Approvals: None.
3. Late Items/Other:

Commissioner Russell asked that the Bureau Chiefs encourage all employees who wish to do so to attend the Governor's Breakfast tomorrow, but to remember to stagger the attendance so everyone can participate.

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Anthony C. Maiola, Chairman

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Patricia T. Russell, Commissioner

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